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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000090

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USTR FOR STRATFORD, ALTBACH

E.O. 12958: DECL: 01/12/2017

TAGS: [ECON](#) [PREL](#) [TW](#) [CH](#)

SUBJECT: CROSS-STRAIT TOURISM - INDUSTRY NEGOTIATOR HOPES
FOR MARCH/APRIL OPENING

REF: A. 06 TAIPEI 4173

[1](#)B. 06 TAIPEI 4063
[1](#)C. 06 TAIPEI 3581
[1](#)D. 06 TAIPEI 3439
[1](#)E. 06 TAIPEI 3147
[1](#)F. 06 TAIPEI 1398
[1](#)G. 06 TAIPEI 1260
[1](#)H. 06 TAIPEI 418

Classified By: AIT Economic Section Chief Daniel K. Moore, Reason 1.4 d

[1](#)1. (C) Summary: An industry contact involved in cross-strait negotiations on tourism expressed hope that Taipei and Beijing will reach an agreement soon to open Taiwan to more China tourists as early as March or April. He denied recent reports that Taiwan has insisted PRC tourists be fingerprinted and/or subjected to iris scans. The contact also said he had no sense from his interactions with PRC negotiators that they were intentionally slowing the discussions. Predictions of an impending agreement have gone unfulfilled on several occasions before. Nonetheless, it appears that negotiations continue with some progress. End summary.

2 (C) On January 12, 2007, Taipei Association of Travel Agents (TATA) Chairman Yao Ta-kuang, who has participated in cross-strait discussions on further opening Taiwan to PRC tourists, told AIT that he hopes Taipei and Beijing will reach an agreement that will bring more PRC tourists to Taiwan as early as March or April. Yao said that he believes the two sides will meet again soon for a fourth and possibly final round of negotiations. The meeting and announcement could come before the Lunar New Year holiday (February 17-22), he said, but will more likely take place afterwards. Yao echoed public comments by Mainland Affairs Chairman Joseph Wu, saying if there is no agreement by summer, political maneuvering in the lead up to Taiwan's December legislative election may make a deal impossible during the rest of President Chen Shui-bian's term of office.

[1](#)3. (C) Yao denied recent press reports that negotiations were stalled because Taiwan was insisting that PRC tourists be fingerprinted and/or subjected to iris scans. He affirmed MAC Chairman Wu's press rebuttal and explanation that Taiwan is considering such biometric

measures for immigrants but not tourists. According to Yao, the main outstanding issue to be resolved is what type of documentation PRC tourists will be required to carry. Beijing proposes that they be required to carry a PRC-issued Taiwan travel permit (Taiwan tongxing zheng) but no passport. Taipei wants to require them to carry a PRC passport and an entry permit issued by Taiwan. Yao believes a workable compromise will be for travelers to carry all three documents.

¶4. (C) When asked about reports that Beijing is intentionally slowing the negotiations, Yao said he does not have any sense from his interactions with Chinese negotiators that such allegations are true. He pointed out that despite reports that Beijing wishes to link successful conclusion of a tourism agreement to an agreement on charter flights, Chinese tourism negotiators have never raised charter flights during consultations on tourism. He stressed that the two sets of negotiations have been conducted independently. From a technical standpoint, he also commented that current cross-Strait air capacity through Hong Kong and Macau was adequate to accommodate the additional tourists.

¶5. (C) Comment: Yao has strong interests in successful conclusion of a tourism agreement that may affect his prediction on the timing of an agreement. He has expressed similar optimism to us on several occasions in the past and has been disappointed. Nevertheless, negotiations between Taipei and Beijing continue and it appears that progress is being made. An agreement is still possible during the Chen Administration, but the window of opportunity could close in the second half of the year. End comment.

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